

Newark

Sharpe James
Mayor

Department of Law

920 Broad Street
Newark New Jersey 07102
(201) 733 3880
Fax (201) 733 5394

Michelle Hollar-Gregory
Corporation Counsel

M E M O R A N D U M

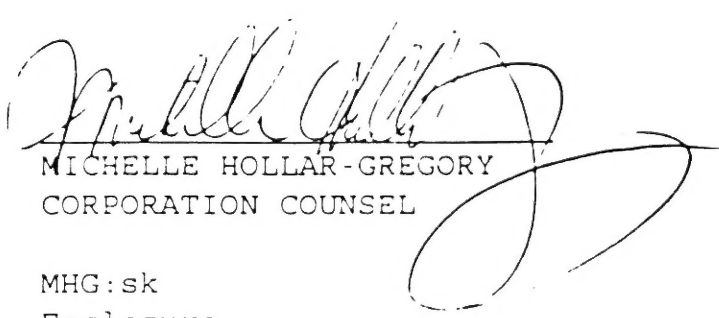
DATE: NOVEMBER 12, 1996

TO: HONORABLE SHARPE JAMES
MAYOR

FROM: MICHELLE HOLLAR-GREGORY
CORPORATION COUNSEL

RE: 19 LYONS AVENUE URBAN RENEWAL, INC.

find The
Attached please find a chronology of the torturous history surrounding the development of this project. At present there is a settlement proposal which has been embodied in the attached letter and this office is awaiting a response from Mr. Robert F. Giancaterino, the attorney representing 19 Lyons Avenue. Additionally, this office is exploring alternatives such as an appointment of a rent receiver, etc. To insure that you will be able to respond to any inquiries by the Condominium Association, this office will keep you apprised of the status of this matter.


MICHELLE HOLLAR-GREGORY
CORPORATION COUNSEL

MHG:sk
Enclosure

c: Demetrice R. Miles, Assistant Corporation Counsel

Newark

Sharpe James
Mayor

Department of Law

320 Broad Street
Newark, New Jersey 07102
(201) 733-3360
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Michelle Hollar-Gregory
Corporation Counsel

November 4, 1996

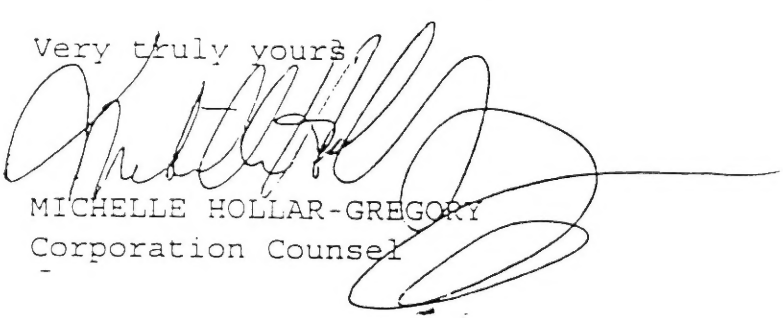
Robert F. Giancaterino, Esq.
Skoloff & Wolfe, P.C.
293 Eisenhower Parkway
Livingston, New Jersey 07039

RE: 19 LYONS AVENUE

Dear Mr. Giancaterino:

This shall serve as a follow-up to our meeting of October 24, 1996 wherein the following people were in attendance: Demetrice Miles, M.C. Alexander, myself, your client and Nina Jones and yourself. In response to your request, the City of Newark presented you with a proposed settlement offer absent any knowledge of your financial ability to pay same. To date, we have not received a response to this offer either by way of acceptance or a counter-offer. Kindly provide me with a response as soon as possible.

Very truly yours,



MICHELLE HOLLAR-GREGORY
Corporation Counsel

MHG:sk

cc: ✓ Demetrice R. Miles, Assistant Corporation Counsel
Michelle R. Jones, Tax Collector
M.C. Alexander, Manager, Div. Of Tax Abatement & Special Taxes

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Corporation Counsel

M E M O R A N D U M

TO: MICHELLE HOLLAR-GREGORY, CORPORATION COUNSEL

FROM: ELLEN MICHELLE HARRIS, ASSISTANT CORPORATION COUNSEL

DATE: NOVEMBER 4, 1996

RE: 19 LYONS AVENUE URBAN RENEWAL, INC. CHRONOLOGICAL HISTORY
OF EVENTS SINCE SETTLEMENT AGREEMENT TO RECEIPT OF
\$250,000.00 AND RECORDING OF MORTGAGE PURSUANT TO
SETTLEMENT AGREEMENT

Settlement Agreement covers preconstruction land taxes in amount of \$136,026.78 and loan guaranty in amount of \$422,290.00 (see page 2 of Settlement Agreement).

November 9, 1992 - Settlement Agreement executed by Daniel Grossman, Esq. re tax arrearage litigation (Docket No. L-008097-90) and resolution by Newark Municipal Council authorizing settlement December 16, 1992.

July 21, 1993 - Closing as per Settlement Agreement scheduled at McCarter & English.

As of August 2, 1993 - closing did not take place and Carteret (McCarter & English) files motion to enforce Settlement on August 6, 1993.

September 20, 1993 - Motion to enforce Settlement was not heard and Closing was rescheduled for September 20, 1993.

19 LYONS EMERGENCY
NOVEMBER 4, 1993

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June 1993 - All unsold units are a part of the 1993 In Rem Foreclosure (Claim Number 1225 through 1263). Memo from Ellen Michelle Harris, Assistant Corporation Counsel dated September 1, 1993 to Michelle Jones advising that closing and redemption was forthcoming.

August 30, 1993 - letter from Norman Kallen, Esq. (on behalf of Cali) requesting that units be taken out of 1993 foreclosure.

September 14, 1993 - 19 Lyons requests extension with proviso that units in tax foreclosure will be redeemed by close of business on September 22, 1993.

September 17, 1993 - Judge Simon signs Consent Order enforcing Settlement Order.

Michelle Jones agrees to remove units from tax foreclosure.

September 22, 1993 - 19 Lyons does not tender redemption of units.

September 24, 1993 - City of Newark rejects proposal of extension made by 19 Lyons since no payment for redemption of the units was made.

October 7, 1993 - Tax Collector provides Bob Spagnoli (Cali) with updated redemption figures.

November 1, 1993 - Still no redemption.

Closing re-scheduled for November 3, 1993 at McCarter & English.

On November 3, 1993 at Closing, Anglo Cali rejects Settlement Agreement proposing a 6 month extension wherein the City was to immediately receive \$25,000.00 up front lump sum payment towards tax litigation settlement and redemption of units taken out of 1993 tax foreclosure. Lenders asked to review the matter.

November 1993 - March 1994 participant lenders unable to come to agreement on Cali proposal of November 3, 1993.

March 14, 1994 letter from Lois Van Duesen, Esq. (Carteret) for updated redemption amount for '93 foreclosure units.

April 26, 1994 - Carteret files another Motion to enforce Settlement Agreement.

June 6, 1994 - Letter from Cali Associates to Michelle Hollar-Gregory disputing tax abatement computations.

June 17, 1994 - Mitchell Seidman, Esq. (Ravin Sarasohn for 19 Lyons Avenue) files OSC why Settlement Agreement should not be enforced.

June 22, 1994 - Judge Weiss signs Order enforcing Amended Settlement Agreement.

Closing Scheduled for July 8, 1994 pursuant to enforced settlement. Closing held without 19 Lyons participation.

July 15, 1994 - Letter to Norman Kallen indicating new redemption amount including fees for 1994 foreclosure.

July 20, 1994 response from Norman Kallen indicating a "desire to pay" contingent on discussions regarding computation of tax abatement.

July 21, 1994 Ellen Michelle Harris, Assistant Corporation Counsel response to July 20, 1994 letter.

September 12, 1994 meeting with Bob Spagnoli (Cali); Angelo Cali; Bette Grayson, Esq.; Norman Kallen, Esq. (Raven Sarasohn); M.C. Alexander, Manager, Division of Tax Abatements/Special Taxes; Demetrice Miles, Assistant Corporation Counsel; Ellen Michelle Harris, Assistant Corporation Counsel; Michelle Jones, Tax Collector; Joseph Frisina, Tax Assessor, Evelyn Laccitello, Assistant Tax Assessor and Michelle Hollar-Gregory, Corporation Counsel in Development Director Rosemary A. Hocking's office regarding tax abatement issues - no resolution.

Units foreclosed in 1994 foreclosure action and removed after Cali files answer to foreclosure.

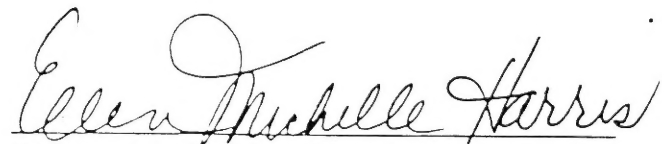
19 LYONS CHRONOLOGY
NOVEMBER 4, 1996

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February 23, 1995 - Cali finally tenders \$25,000.00 in accordance with Settlement Agreement.

March 9, 1995 Letter from Ellen Michelle Harris, Assistant Corporation Counsel noting that City did not receive \$5,000.00 in furtherance of settlement agreement for unit closings on #306; 610 and 202.

Mortgage between City and 19 Lyons Urban Renewal dated February 17, 1995 filed in Essex County Register's Office as of March 10, 1995 in Mortgage Book 6495 - Page 25.



Ellen Michelle Harris
Assitant Corporation Counsel

ahs

Attachment - *Settlement Agreement*

P:\WP\WPDOCS\19LYONS.WPD

NEW COUNTY MANAGEMENT

November 5, 1996

Ms. Michelle Hollar Gregory, Esq.
City of Newark
Corporation Counsel
920 Broad Street
Newark, NJ 07102

56 NOV 12 PM 5:10
OFFICE OF THE CLERK
CITY OF NEWARK

Re: 19 Lyons Avenue Condo Association

Dear Michelle:

Thank you for taking the time to meet with the members of the Condo Association. As you can see, this building is going through a change from sponsorship control to unit owner control. Yet without the sponsor paying its monthly fees to the Condo Association, the rest of the unit owners are at risk.

As commented at the meeting, the Condo Association would be very interested in having a Rent Receiver appointed for the sponsor's 28 units. The Condo Association would like to have our firm, New County Management appointed in this capacity. Our firm has acted before as a Rent Receiver for several financial institutions. I have enclosed our firm's brochure for your reference.

Before you institute evictions proceedings on the tenants who are living in some of the sponsor's units, the Condo Association would like to see if these individuals would be interested in staying, if they paid rent.

Please contact me to coordinate the eviction process. I will have the building's Super, Gene Wise, available to open the sponsor's units.

Sincerely,

NEW COUNTY MANAGEMENT, INC.

James H. Robbins, Vice President

cc: Nina Robinson, Condo Ass'n. President

30 Two Bridges Road, Suite 330, Fairfield, NJ 07004

201-575-4800 fax 201-575-8193